



San Diego City Attorney **CASEY GWINN**

MEDIA RELEASE

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RITE AID PAYS \$2.8 MILLION TO SETTLE CALIFORNIA CONSUMER PROTECTION LAWSUIT

San Diego City Attorney Casey Gwinn announced today that Rite Aid Corporation has settled the latest in a series of consumer protection lawsuits alleging the company engaged in misleading advertising and unfair competition in its California stores. The lawsuit, filed in San Diego Superior Court, alleged, among other things, that the company made misleading statements concerning price, availability, and expiration dates of certain products. The Complaint also alleged that Rite Aid failed to comply with court orders in prior cases which required the company to conduct pricing audits, post specific signs at checkout stands, and keep certain records.

Under the terms of the settlement, Rite Aid paid \$2.8 million in civil penalties and costs, and must implement a new management compliance program, which includes establishing a toll-free number for consumer comments and complaints. That number is 1-800-962-1914. The company must also provide important information bulletins to consumers regarding medication safety.

City Attorney Casey Gwinn complimented the fine work of the California State Department of Health Services and the local Weights and Measures officials for their vigilant enforcement efforts in the case. Given the widespread problems, twelve prosecutors from across the State of California joined forces with the San Diego City Attorney to address Rite Aid's on-going pricing, merchandising and advertising violations. City Attorney Gwinn said, "Consumers have a legitimate expectation that an advertised sale item will be available and that products will be accurately priced and dated. The settlement in this case will help insure that those expectations are met."

Rite Aid agreed to the settlement without admitting any wrongdoing.

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